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CONSUMER DEMAND for RVs

Based on a 1981 Survey
of 1,500 Households

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THE RV CONSUMER:
CURRENT AND FUTURE PROSPECTS

By

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The analysis is based on a sample of 1,369 households from the June and July 1981 nationally representative monthly Surveys of Consumer Attitudes, conducted by the Survey Research Center at the University of Michigan. This survey was commissioned by the Recreation Vehicle Industry Association, Marketing Analysis Committee. John Agno, the Chairman of this Committee, and Mac Bryan, the RVIA Staff Marketing Administrator, provided the incentive and guidance for this survey.

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Introduction

What are the prospects for customer demand for recreational vehicles in the decade ahead? The future cannot be simply and precisely predicted. Nonetheless, understanding the role of the several factors--technological, demographic, economic, and attitudinal--which may influence future developments helps to provide necessary guidance for planning and development. This report focuses on future trends in consumer attitudes and preferences.

Three broad areas were selected for study, the first of which focused on the general attitudes and opinions of the American public. The long-term strength of the RV market depends on the extent to which American consumers engage in and spend money on activities for which recreational vehicles can be used. Has camping gained or lost appeal through competition from other types of recreational activities or because of cost or congestion? Do Americans place a high value on family camping, even if they do not personally own an RV nor even like to camp? Apart from camping, will the use of RVs expand in the broader vacation and travel markets? The second area of investigation focused directly on the size of the current and potential RV market. The demographic characteristics of each market subgroup were identified. The third general area sought even greater detail on consumer attitudes toward specific changes in product designs made necessary by rising gasoline prices and downsized tow vehicles. Attitudes toward interior space, fuel efficiency, and initial costs were investigated.

The results of this analysis can be summarized briefly as follows. Most Americans hold positive attitudes toward the recreational activities served by the RV industry, and most thought that RV products gave as much or

more value for the money compared with other expenditures. One-in-ten households owned an RV in 1981, and using a broad definition of the potential market, an additional three-in-ten consumers indicated an interest in the future use of an RV. Although a small number of the potential customers can actually be expected to purchase an RV, the widespread interest in RVs demonstrates the underlying attraction and appeal of these products to the American public. Importantly, a significant portion of the potential demand is in the rental market. Finally, most consumers who expressed an interest in the RV market were also receptive to product changes to achieve downsized fuel efficient vehicles. Of course potential demand will not automatically result in actual sales, but the prospects for growth in RV demand in the decade ahead will be enhanced by favorable attitudes and consumer receptivity.

Public Attitudes

General attitudes held by the American public toward the RV market are favorable: Camping and outdoor recreation at state and national parks is frequently the preferred vacation for American families; the vast majority of consumers are familiar with RV products; and about half of all consumers think that RV products give as much or more value for the money.

How many Americans prefer to camp compared with other types of vacations? Because vacation trips to resort cities are similar in popularity to camping at a state or national park but much different in nature, respondents were asked whether they prefer to spend their vacation at a resort city or camping. The two choices represent broad differences in consumer preferences for vacation and recreational travel, and account for most vacations taken by Americans. The data indicate a slight overall preference toward camping as the preferred vacation. Opinion was nearly evenly divided, with 47 percent who preferred to camp and 41 percent who preferred a vacation trip to

a resort city (Table 1). After asking about their overall opinion, respondents were asked to explain in their own words why they preferred the one type of vacation to the other. The reasons most often given for preferring to camp were being outdoors to enjoy the scenery and nature (58 percent), for a change in pace from normal routines (42 percent), and to enjoy the experience of living outdoors (19 percent). Among respondents that favored camping, 18 percent mentioned that one reason for their preference was that it was less expensive. In contrast, respondents that preferred resort vacations frequently mentioned that they liked the extra services and facilities of vacation resorts (30 percent), and the range of activities available in the surrounding areas (33 percent). Among those that preferred a resort city, 48 percent said they did not like to camp or to participate in outdoor recreation at state or national parks, and another 10 percent mentioned family, age, or health-related reasons for not camping--overall these reasons represent about one-in-four American households. Very few mentioned the lack of equipment as a deciding factor in preferring resort cities (2 percent); respondents only slightly more frequently cited crowded parks when explaining their preference for resort cities (3 percent).

Apart from personal preferences in vacations, <u>family</u> camping receives strong public approval and support. Because it represents a socially desirable activity, the questionnaire item was worded in an extreme manner, and asked whether camping was the <u>best</u> type of vacation a family could take, not just a good or typical vacation. (The word "best" was emphasized by each interviewer when asking the question.) It is important to note that respondents were not asked whether camping was best for <u>their</u> family, but instead, whether camping is a good vacation for families in general. This question

thus focuses on the more general attitudes of the American public. The data showed that Americans have very favorable attitudes toward family camping, particularly when considering the strongly worded question. Nearly two-thirds (64 percent) of all respondents agreed or strongly agreed that camping was the best vacation a family could take (Table 2). This substantial majority, however, does not imply that appealing to family values is the only way to attract consumers to the RV market, as further evidence will show. But it does indicate widespread public approval for the activities served by the RV market.

In addition to attitudes toward camping and other consumer preferences served by the RV industry, general attitudes toward RV products were also investigated. Growth in consumer demand depends on perceptions of value, specifically on whether RV products are perceived to provide a good value for the consumer dollar. The majority of respondents said that RVs gave as much or more value for their money (53 percent), while one-third felt that RVs gave less value when compared with other expenditures (Table 2). That the percentage of respondents saying RVs give more value for their money than other products (25 percent) is more than twice as high as the proportion of respondents that now own an RV (10 percent) indicates that RV products are attractive to a much broader market than currently served.

The favorable views on RV product value were accompanied by widespread product recognition. Nine-in-ten American households (including owners) report having been inside an RV (Table 2). This level is very high, and indicates that almost all consumers view RVs as familiar products, even if their actual usage experience is not as widespread. Given the overall perception that RVs are familiar products, the American public may be less likely to seek further information, and thus be more likely to remain unaware of recent product improvements.

Table 3 presents the demographic distributions for the several attitudes and preferences discussed above. Middle-income families are the most likely income group to have positive perceptions of camping, to prefer camping to resorts and to feel that RVs are a good value. Younger people are slightly more likely than other age groups to have these views. People living in the West are much more likely than people living in other regions to have positive perceptions of camping and to prefer camping to resorts. Only in vacation preferences was there a sharp division between households with and without children living at home, with families with children more likely to favor camping.

Camping Behavior

Given the favorable general public attitudes toward the camping lifestyle, identifying the specific subgroups of American households that actually camp is an essential part of measuring the potential market for recreational vehicles. In addition to determining the demographic characteristics and size of the camping population, it is important to consider the strength of attachment people have to the camping lifestyle.

The data indicate that camping trips are taken frequently and that camping begins at an early age (Table 4). Most respondents had taken a camping trip at some time in the past (66 percent) and the median or most typical age the first camping trip took place was at 12.2 years old, with nearly a third that started at age 9 or earlier. Very few respondents began camping when they were older than 30 (12 percent, Table 4). Fully 84 percent of respondents who were 25 or younger have camped, falling to 46 percent among respondents age 64 or older. Respondents living in the West were the most likely to have camped (86 percent), while those living in the South were the least likely to have camped (53 percent).

Respondents were also asked whether they had recently taken a camping trip. Among all respondents, 57 percent had camped during the last three years, with a median of 3.5 camping trips (Table 5). Comparing this result with the observation that 66 percent of all respondents had camped at least once in the past reveals that most people who have camped in the past have also done so recently.

Respondents who had camped recently were asked why they enjoy camping. Being outdoors and enjoying nature was the reason most often given (64 percent). Respondents who did not camp during the past three years were asked why they had not camped (Table 5). These respondents most often replied that they simply did not like to camp (47 percent); only 8 percent of the responses referred to costs, and 14 percent mentioned the lack of equipment or facilities. Family reasons (most often "no one to camp with") as well as age and health-related reasons were given by 21 percent of those who had not recently camped, but had camped at some time in the past.

More than four-in-ten households (44 percent) said they expect to take at least one camping trip during the next three years. The median number of expected camping trips was 4.5, higher than the median number taken during the past three years (Table 6). When past camping experience and future camping intentions were combined, it was found that about one-third of all respondents who have recently camped also plan to do so again the near future. Only 4 percent have camped in the past but do not plan to do so in the future. The very small number of families that have camped recently but do not plan to camp again signifies a strong attachment to the camping lifestyle.

The demographic stratification for recent camping experience and future camping intentions shows that respondents who are frequent campers usually have middle incomes, are younger, live in the West, and have one or

more children (see Charts 1 to 4). Fully 80 percent of respondents younger than 25, and 60 percent of respondents living in the West plan to camp in the near future (Table 7). The percentage of respondents that have camped at some time but not in the recent past, and the proportion that do not plan to camp in the future both increase with age.

The Size of the RV Market

What is the current size and the future potential of the RV market? American families can be subdivided into three types of households: a) those that currently own an RV, b) households that express an active interest in the purchase, rental, or use of an RV, but do not currently own an RV, and c) those households which neither currently own nor intend to purchase or use an RV in the future. Although current owners represent a prime market, not all current owners can be expected to remain active purchasers in the future. Similarly, not all people that say they plan to buy or rent an RV actually do, and some people that thought they would never be interested in an RV do purchase or rent one at some later date. These definitions of market segments thus should not be considered absolute, but only as approximations of the relative size of each market segment.

In 1981, one-in-ten American households owned an RV (see Table 8). The types of RVs most frequently owned were motorhomes and vans (4 percent), travel trailers (3 percent), followed by slide-in truck campers (2 percent), and folding campers (1 percent). Although these proportions are small, a 10 percent ownership rate represents about 8 million households--a large market by any standard.

Potential RV customers, those respondents that expressed an active interest in the purchase, rental, or use of an RV, amount to 30 percent of all households (Table 8). To be sure, only a small part of the potential

CHART 1

CAMPING INTENTIONS BY REGION

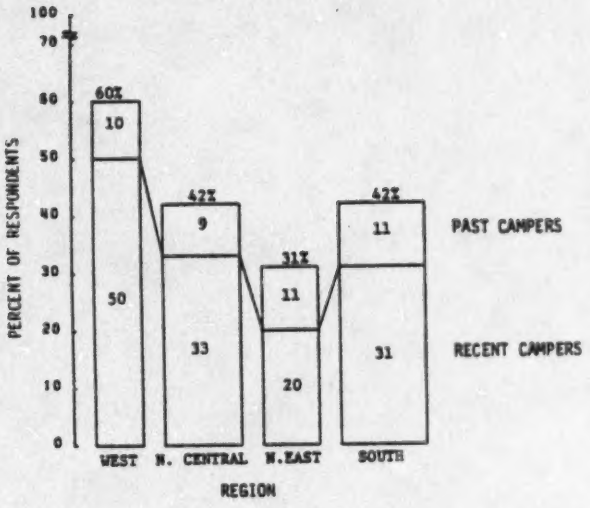


CHART 2

CAMPING INTENTIONS BY INCOME

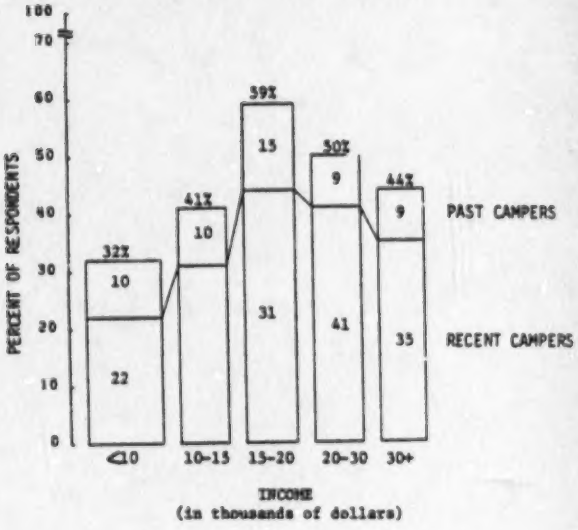


CHART 3

CAMPING INTENTIONS BY NUMBER OF CHILDREN

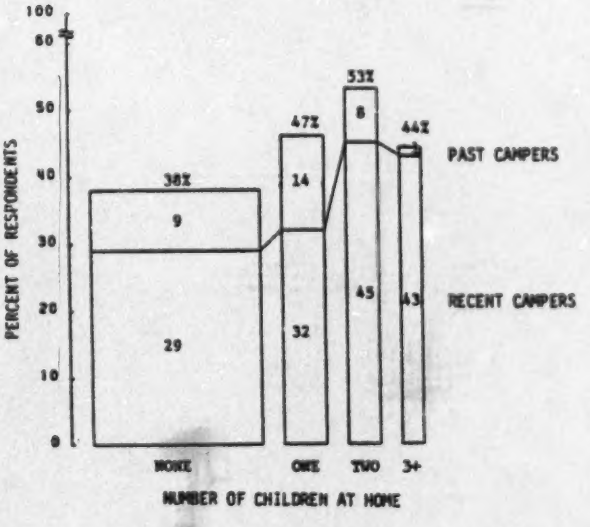
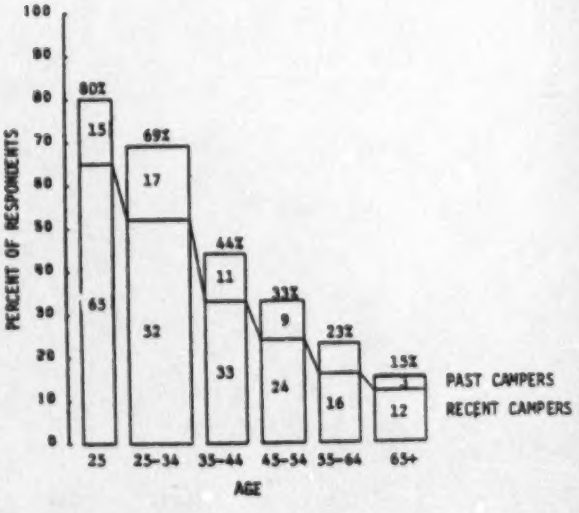


CHART 4

CAMPING INTENTIONS BY AGE



market entrants intend to buy an RV in the near term (5 percent rate chances even or better). Most of the potential market entrants are attracted to RV rentals, at least in the near term. Overall, four-in-ten households can be considered either current or potential RV customers. Although not all potential RV customers can actually be expected to enter the market, if as many as one-third of the potential customers could be drawn into the market, the number of RV owners would double. The remaining six-in-ten households did not own an RV nor plan to buy or rent an RV to use in the future, and therefore were considered to be the least likely to enter the RV market.

In addition to knowing the overall size of the RV market, demographic characteristics can be used to locate current and potential RV consumers. Awareness of characteristics such as age, income, the number of family members and the location of their residence can help guide both product development and marketing plans. In general, respondents in the current and potential recreational vehicle market have high incomes, are young, usually have at least one child, and are more likely to live in the Western region of the country (Table 9). Two demographic characteristics of the RV target market are particularly prominent. First, the ownership and potential use of RVs decline considerably with age. Fully 66 percent of respondents 25 and younger are in the RV market, the proportion falling to 13 percent for those respondents 65 or older (see Chart 5). Second, middle- to high-income households are more likely to be current owners and potential users than lower income households, with nearly one-in-five households earning $30,000 or more currently owning an RV (see Chart 6).

The actual market potential of a particular demographic group, however, is determined by both the frequency of interest and the size of the group, as indicated by the width of the column for each subgroup on Charts 5 through 8. Although consumers living in the West are more likely than those living in

CHART 5

RECREATION VEHICLE TARGET MARKET BY AGE

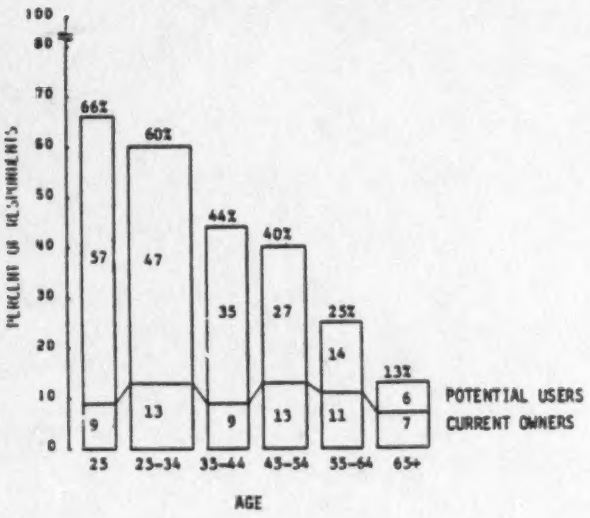


CHART 6

RECREATION VEHICLE TARGET MARKET BY INCOME

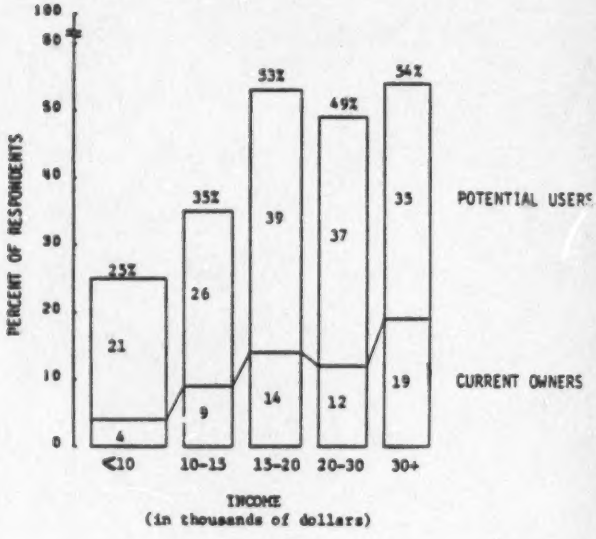


CHART 7

RECREATION VEHICLE TARGET MARKET BY REGION

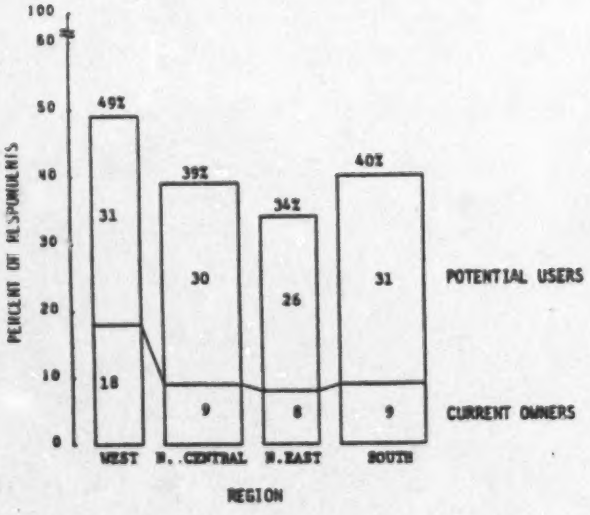
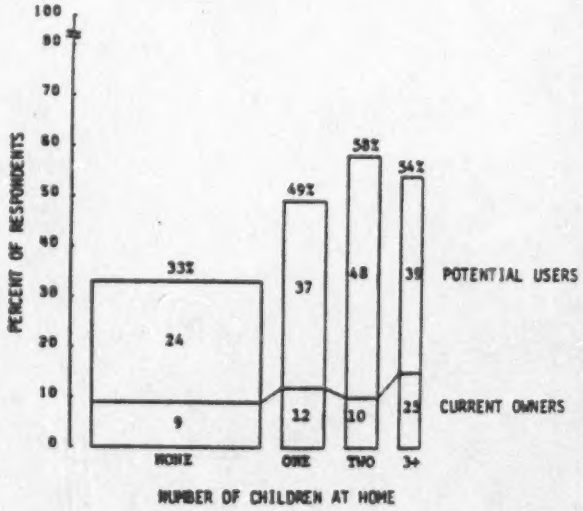


CHART 8

RECREATION VEHICLE MARKET BY NUMBER OF CHILDREN



other regions to be in the RV market, they account for only 18 percent of all households, while the South, having a lower percentage of market households compared to the West, accounts for 32 percent of all households and thus provides a greater potential source of demand for recreational vehicles (see Chart 7). Consumers living in the Northeast, on the other hand, being both a relatively small group and the least likely to be in the RV market, do not have as high a potential for market growth when compared with other regions.

Similarly, respondents having no children under 18 living at home are less likely to be in the RV market (33 percent) than those having young children at home, yet they account for 64 percent of all households (see Chart 8). Due to the substantial size of the gorup, the market potential for households without children is as great as for households with children.

Overall the data indicate that, considering both the frequency of interest within a particular demographic group and the actual size of that group, the largest potential source of demand for RVs can be found in the South, among middle- to high-income, relatively young families. The higher frequency of purchase among households with young children at home is offset by the greater number of households without children living at home, with the net effect being that the two groups have roughly the same market potential.

Buying and Renting

All respondents were asked whether they thought it would be better to buy a new or a used RV, or whether it would be better to rent. Two-thirds of all households thought it would be better to buy a used RV rather than a new unit. Among current owners, the proportion that favored the purchase of used RVs was the highest of any of the market groups--82 percent thought it was better to buy used. In fact, consumers that expressed an interest in the RV market were also the most likely to favor buying used rather than new

units (Table 10). When asked to explain why they thought used vehicles were the better buy, the most frequent response was that new vehicles were too expensive. Importantly, 30 percent of the RV owners mentioned the lower depreciation costs of used RVs--twice as frequently as nonowners. About one-fourth of those that favored used vehicles mentioned the quality or safety of older models, and a similar number mentioned the availability of good buys on used RVs. In contrast, respondents that favored buying new rather than used RVs referred to the poor condition of many used RVs, that the required repairs on used units are expensive, and that the used RV lacks guarantees. Interestingly, potential rather than current owners more frequently thought new vehicles were the better buy because of the higher resale value when the RV was eventually sold.

When asked whether it would be better to buy or rent an RV, nearly equal numbers of consumers favored buying as renting. Among owners, the balance of opinion tilted toward buying (47 percent) rather than renting (43 percent). The opposite was true among potential users: renting was favored by 47 percent compared with 43 percent that favored buying (Table 11). When asked to explain their views, those that preferred to buy most frequently said that they thought that it was more economical. Families that favored buying also more frequently mentioned that owning their own unit made it much more convenient to use. In contrast, respondents that favored renting cited the cost advantages--including initial purchase price as well as upkeep, maintenance, depreciation, and insurance costs. Importantly, 57 percent of the potential users stated that they favored renting over buying because they would not use the RV enough to justify its purchase.

Both current and potential RV users were asked about how they typically use or how they would use an RV in the future. Among owners, 55 percent

reported that they used their RV more for camping and outdoor recreation, while 30 percent said they use their RV more to avoid motels and restaurants when traveling (Table 12). In sharp contrast, 54 percent of the potential RV users said they would use the RV more to avoid motels and restaurants, while 35 percent thought they would use it for camping more frequently. Consequently, a significant difference between current and potential market entrants is that current RV owners are much more attracted to camping-related recreation, while potential users place greater emphasis on other uses as well as convenience when traveling.

The purchase and rental markets for RVs are distinctive, but not completely independent of each other. Some consumers that are now interested in renting an RV may at some later date purchase an RV. (Current owners may also be interested in an RV rental on occasion.) When current owners were asked whether they had rented an RV before they purchased their first RV, over one-in-five households said that they had rented before they had purchased (Table 12). These data indicate that the rental market provides a significant source of future growth in RV sales, with the actual experience of using an RV transforming some consumers from renters into purchasers.

Product Preferences

Are current and potential RV consumers willing to buy smaller, lighter, and more fuel-efficient RVs in response to increases in the price of gasoline as well as decreases in the size of tow vehicles, or will consumers initially resist downsizing, and prefer to use the traditional RV less (or even not at all) rather than using a smaller vehicle? The appropriate supply mix of large and downsized RVs depends in part on the proportion of consumers that prefer better fuel efficiency to interior space. To investigate these consumer preferences, both current owners and potential market entrants were asked questions concerning the trade-off between price and interior room versus fuel

efficiency, the amount of length they would be willing to trade for better fuel efficiency, and what areas or features they were willing to do without to conserve space. Owners were also asked about the preferred size of their next RV. In addition, both owners and potential entrants were asked how gas price increases might affect their use of RVs in the future.

The study found that both current owners and potential entrants preferred better gas mileage to having more interior room, and would rather have better mileage rather than a lower price (Table 13). Twice as many owners and more than three times as many potential market entrants preferred better mileage to lower prices. Owners and potential entrants have generally similar product preferences--about half of each group would trade both interior room and a lower initial price for better fuel efficiency. Even though the majority prefer smaller fuel efficient vehicles, a significant and important minority--one-in-five current owners--still prefer more space to both greater fuel efficiency and a lower price.

To measure the extent to which consumers would trade interior space for better fuel efficiency, respondents were asked how much of the exterior length of an RV they would be willing to trade for better gas mileage. Three-fourths of all respondents said they would be willing to size-down by two feet or more (Table 14). RV owners were more willing to make the greatest reduction in footage (six feet for nine MPG) than nonowners.

Where in the interior would consumers prefer to sacrifice space? Although owners have presumably spent much more time in RVs, the areas where they would prefer to give up space were similar to those of potential market entrants (Table 14). When questioned, both current owners and potential entrants most often said they would prefer to give up space in the living area (about 30 percent of both groups). The kitchen area was mentioned nearly

as often by about 23 percent of both groups. Although the two groups had similar attitudes about most of the rooms, owners were about three times as likely to suggest cutting space from the bathroom (14 percent) than were potential entrants (5 percent), while potential market entrants were more likely to suggesting cutting storage space (15 percent) than owners (9 percent).

How would consumers react to sharp increases in gasoline prices? Current and potential owners were asked about how their use of RVs would change if gasoline prices increased to $2.50 per gallon over the next several years (Table 15). Of course people cannot predict with certainty how they will react to future events, but their reactions to future sharp price increases will be influenced by their current attitudes and expectations. In reaction to gasoline prices of $2.50 per gallon, the majority of both current owners (54 percent) and potential entrants (64 percent) said they would be less likely to use an RV. Gas price increases would thus affect a higher proportion of potential entrants, while current owners, in contrast, more frequently reported that their use of an RV would not be changed by higher gasoline prices. One-third of the owners and one-fourth of the potential market entrants said their use of RVs would remain unchanged if gas prices rose to $2.50.

Very few current owners mentioned that in response to gas price increases they would buy a smaller, more fuel-efficient RV (6 percent). Among owners who would not buy a smaller RV, 34 percent mentioned space considerations, and an additional 16 percent thought that their current RV was small already. Only 5 percent said that the purchase price for smaller RVs was too high. In a similar question, owners were asked about the preferred size of their next RV purchase. The most frequent response was to buy another RV

that was the same size as the one they currently owned (48 percent, Table 15). Only 9 percent would buy a smaller RV, while 24 percent would buy a larger RV--15 percent said they would not buy another RV.

Are these contradictory results? Most consumers are receptive to downsized fuel-efficient RVs, yet few would buy smaller RVs, especially current owners. Consumer decisions involve balancing costs and benefits; they recognize the need for fuel-efficent and lighter vehicles, but want to give up as little space as possible, especially if they have become accustomed to its use. Although lighter and more fuel-efficient RVs will dominate future market trends, larger sized RVs will retain a significant share of the market.

TABLE 1

VACATION PREFERENCES AMONG U.S. HOUSEHOLDS, 1981

Vacation Preference	Percentage Distribution of Households
State or National Park	47%
Resort City	41
Both	1
Neither	3
Don't know	8
Total	100%
Number of cases	1369
Reasons for Preference for Camping at a State or National Park[a]	
Like outdoors, scenery, nature	58%
Change of pace	42
Like camping activities	19
Less expensive	18
Good place for family	7
Easily available	4
Don't like resorts	3
Other	3
Reasons for Preference for Resort City[a]	
Like resort activities	33%
Like resort facilities	30
Don't like camping	32
Don't like outdoors	16
Family reasons, age & health problems	10
Parks too crowded	3
No equipment	2
Other	8

[a]Figures add to more than 100% due to multiple mentions.

The questions were: "Thinking about different types of vacation trips, would you prefer to go to a resort city, or would you rather go to a state or national park for camping and other outdoor recreation?" and "Why is that?"

TABLE 2

ATTITUDES TOWARDS CAMPING AMONG U.S. HOUSEHOLDS, 1981

Responses to the Statement: "Camping is the best type of vacation a family can take."	Percentage Distribution of Households
Strongly agree	14%
Agree	50
Disagree	24
Strongly disagree	3
Don't know	9
Total	100%
Value of RV Compared to Other Ways People Spend Money	
More value	25%
As much value	28
Less value	32
Don't know	15
Total	100%
Ever Been Inside a Recreational Vehicle	
Yes	90%
No	9
Don't know, no answer	1
	100%

The questions were: "After I read the following statement please tell me whether you strongly agree, agree, disagree, or strongly disagree. Here is the statement: Camping is the best type of vacation a family can take."

Compared with other ways people spend their money, do you think that a recreational vehicle, like a travel trailer or motorhome, gives about as much value for your money, or less value for your money?"

and "Have you ever been inside one of these recreational vehicles?"

TABLE 3

PREFERENCES AND EXPERIENCE WITH CAMPING:
DEMOGRAPHIC DISTRIBUTION AMONG U.S. HOUSEHOLDS, 1981

	Percent of U.S. Households that ...			
	Prefer Parks for Camping	Agree Camping is Best Vacation	Say RV's Give As Much or More Value	Have Been Inside an RV
All households	47%	64%	53%	90%
Income				
Less than $10,000	47	62	52	81
$10,000-14,999	51	73	52	94
$15,000-19,999	59	73	66	95
$20,000-29,999	45	62	54	96
$30,000 and over	41	58	53	95
Age				
Younger than 25	67	73	59	98
25-34	59	69	56	93
35-44	49	61	55	92
45-54	40	62	51	91
55-64	35	59	55	83
65 or older	36	65	49	85
Region				
West	62	80	51	94
North Central	46	60	54	92
Northeast	39	59	62	88
South	44	63	49	87
Number of Children				
None	41	65	51	90
One	53	62	60	93
Two	50	61	55	92
Three or more	75	73	59	87

TABLE 4

CAMPING EXPERIENCE AMONG U.S. HOUSEHOLDS, 1981

Ever Taken a Camping Trip	Percentage Distribution of Households
Yes	66%
No	28
Don't know, no answer	6
Total	100%
Number of cases	1369
Age When Started Camping	
Under 5 years	8%
5-9	24
10-14	28
15-19	13
20-29	15
30-39	7
40 and older	5
Total	100%
Median age	12.2

The questions were: "Have you ever taken an overnight camping trip?"
"How old were you when you first went camping?"

TABLE 5

RECENT CAMPING EXPERIENCE AMONG U.S. HOUSEHOLDS, 1981

Number of Camping Trips in Past Three Years	Percentage Distribution of All Households
No camping trips	43%
One or more	57
One	12
Two or three	17
Four to nine	14
Ten or more	14
Total	100%
Median number of camping trips among campers	3.5
Number of cases	1369

Reasons for Enjoying Camping[a]	Percentage Distribution of Households That Have Been Camping
Being outdoors	64%
Outdoor sports	25
Change of pace; relax	24
Peace and quiet	23
Like camping	10
Chance to socialize	6
Good for family	5

Reasons for Not Camping[a]	Percentage Distribution of Households That Have Not Been Camping
Don't like camping	47%
Family reasons, age and health problems	21
Too busy	20
Lacks facilities, equipment	14
Cost	8

[a]Adds to more than 100% due to multiple mentions.

The questions were: "How many camping trips did you take during the last three years?" "What are the things you enjoy about camping?" and "What are the reasons you haven't gone camping?"

TABLE 6

INTENTIONS FOR CAMPING IN THE NEXT THREE YEARS
AMONG U.S. HOUSEHOLDS, 1981

Number of Camping Trips Expected During Next Three Years	Percentage Distribution of Households
None	50%
One	9
Two or three	12
Four to nine	11
Ten or more	12
Don't know, no answer	6
Total	100%
Median number expected among campers	4.5
Three Year Camping Experience	
Camped in past, and intends to camp in future	32%
Did not camp in past, and intends to camp in future	10
Camped in past, and does not intend to camp in future	4
Did not camp in past, and does not intend to camp in future	22
Never camped, does not intend to camp	24
Don't know, no answer	8
Total	100%

The question was: "How many camping trips do you think you will take during the next three years?"

TABLE 7

RECENT CAMPING EXPERIENCE AND INTENTIONS AMONG DEMOGRAPHIC SUBGROUPS, 1981

	Intends to Camp In Future		Does Not Intend to Camp in Future				
	Camped Recently	Did Not Camp Recently	Camped Recently	Did Not Camp Recently	Never Camped	Other	Total
All Households	32%	10%	4%	22%	24%	8%	100%
Income							
Less than $10,000	22	10	3	19	33	13	100%
$10,000-14,999	31	10	5	26	20	8	100%
$15,000-19,999	44	15	1	16	20	4	100%
$20,000-29,999	41	9	5	20	21	4	100%
$30,000 and over	35	9	6	29	18	3	100%
Age							
Younger than 25	65	15	2	6	8	4	100%
25-34	52	17	4	12	10	5	100%
35-44	33	11	7	23	19	7	100%
45-54	24	9	4	29	29	5	100%
55-64	16	7	3	33	35	6	100%
65 or older	12	3	3	28	39	15	100%
Region							
West	50	10	5	21	9	5	100%
North Central	33	9	5	21	25	7	100%
Northeast	20	11	3	22	35	9	100%
South	31	11	3	22	25	8	100%
Number of Children							
None	29	9	4	24	26	8	100%
One	32	14	2	20	25	7	100%
Two	45	8	3	16	18	10	100%
Three or more	43	*	*	34	16	7	100%

TABLE 8

CURRENT AND POTENTIAL RV MARKET, 1981

Recreational Vehicle Market	Percentage Distribution of Households
Total RV Market	40%
Owners	10
Motorhome or van	4
Travel trailer	3
Fifth-wheel	*
Folding camper	1
Slide-in truck camper	2
Potential Users	30
Buyers	5
Renters or users	25
Nonmarket households	60
Total	100%
Number of cases	1369

*Less than half of one percent.

The questions were: "Do you (or anyone in your family living there) own a recreational vehicle such as a motorhome, van, camping trailer, or slide-in truck camper?" and "What type of trailer is it--a folding-camping trailer, a travel trailer, or a fifty-wheel trailer?"

"During the next 12 months, what do you think are the chances that you (or anyone else in your family living there) will buy a recreational vehicle, (such as a van, motorhome, camper, or camping trailer)? Would you say you probably will, probably will not, or are the chances about even?"

"Would you consider renting a recreational vehicle such as a van, motorhome, camping trailer, or camper for any purpose in the next year or so?" and "What do you think are the chances that you (and your family living there) would, at some time, use a recreational vehicle for a vacation trip? Would you say you probably will, probably will not, or are the chances about even?"

TABLE 9

RV MARKET SEGMENTS AMONG DEMOGRAPHIC SUBGROUPS, 1981

	RV Market Segments			
	Current Owners	Potential Users	Non-Market Households	Total
All Households	10%	30%	60%	100%
Income				
Less than $10,000	4	21	75	100%
$10,000-14,999	9	26	65	100%
$15,000-19,999	14	39	47	100%
$20,000-29,999	12	37	51	100%
$30,000 and over	19	35	46	100%
Age				
Younger than 25	9	57	34	100%
25-34	13	47	40	100%
35-44	9	35	56	100%
45-54	13	27	60	100%
55-64	11	14	75	100%
65 or older	7	6	87	100%
Region				
West	18	31	51	100%
North Central	9	30	61	100%
Northeast	8	26	66	100%
South	9	31	60	100%
Number of Children				
None	9	24	67	100%
One	12	37	51	100%
Two	10	48	42	100%
Three or more	15	39	46	100%

TABLE 10

ATTITUDES TOWARD PURCHASING A NEW OR USED RV, 1981

Better off Buying New or Used Travel Trailer	All Households	RV Market Segments: Owners	Potential Users	Non-market Households
Better to buy new	19%	9%	16%	22%
Pro-con	5	7	4	5
Better to buy used	65	82	78	56
Don't know	11	2	2	17
Total	100%	100%	100%	100%
Number of cases	1369	137	411	821
Reasons Given for Why Better to Buy a New RV[a]				
Used in poor condition/ costly repairs/new RVs have guarantees	72%	88%	65%	74%
Cost of used too high	6	13	12	4
Safety/design/quality	7	4	5	8
Resale value	14	4	24	11
Other	13	13	11	14
Reasons Given for Why Better to Buy a Used RV[a]				
New RV cost too much	45%	64%	48%	44%
Better quality/safer	21	26	26	19
Good buys on used RVs	29	22	24	34
Won't use enough	10	6	13	10
Other	4	7	5	3
Depreciation less	15	30	14	12

[a]Figures add to more than 100% due to multiple mentions.

The questions were: "In general, do you think a family of four who goes camping every year would get its money's worth buying a new travel trailer, or would this family be better off financially buying a used travel trailer of the same type?" and "Why do you say so?"

TABLE 11

ATTITUDES TOWARD BUYING OR RENTING AN RV, 1981

Better off Renting or Buying a Travel Trailer	All Households	RV Market Segments		
		Owners	Potential Users	Non-Market Households
Better to buy	38%	47%	43%	35%
Pro-con	5	8	7	4
Better to rent	45	43	47	44
Don't know	12	2	3	17
Total	100%	100%	100%	100%
Reasons Given for Buying[a]				
More economical to buy	65%	72%	63%	63%
More convenient/use more	31	28	33	31
Resale value-rent-out	12	16	12	10
Better quality	10	8	11	10
Other	7	8	9	6
Reasons Given for Renting[a]				
Purchase price too high	21%	33%	23%	19%
Renting less expensive	20	25	17	21
Do not use enough to buy	51	37	57	51
No upkeep or maintenance	22	28	24	20
No depreciation, insurance costs	14	16	14	13
Other	7	6	5	5

[a]Figures add to more than 100% due to multiple mentions.

The questions were: "In general, do you think a family of four who goes camping every year would get its money's worth buying a travel trailer, or would this family be better off financially renting the same type of travel trailer?" and "Why do you say so?"

TABLE 12

PREFERRED USE OF RVS AND FIRST TIME RENTALS, 1981

	Total	RV Market Segments: Owners	RV Market Segments: Potential Users
Use RV for Camping or to Avoid Motels & Restaurants			
Use more for camping	40%	55%	35%
Use more to avoid motels and restaurants	48	30	54
Neither; don't know	12	15	11
Total	100%	100%	100%
Number of cases	548	137	411
Rented an RV Before Purchase			
Yes	--	22%	--
No	--	74	--
Don't know, no answer	--	4	--
Total	--	100%	--

The questions were: "Do you use your recreational vehicle more for camping and other outdoor recreation, or do you use it more to avoid motels and restaurants when traveling?" or "If you had the use of a motorhome, do you think you would use it more for camping and other outdoor recreation, or would you use it more to avoid motels and restaurants while traveling?" and "Before you bought your first recreational vehicle, did you ever rent a recreational vehicle?"

TABLE 13

TRADE OFF BETWEEN FUEL EFFICIENCY, INTERIOR ROOM, AND VEHICLES COST, 1981

		RV Market Segments	
	Total	Owners	Potential Users
Cost or Gas Mileage More Important?			
A less expensive RV is more important	23%	31%	20%
Better gas mileage is more important	69	63	70
Don't know	8	6	10
Total	100%	100%	100%
Room or Gas Mileage More Important?			
Interior room is more important	33%	39%	30%
Better gas mileage is more important	59	59	60
Don't know	8	2	10
Total	100%	100%	100%
Combined Preference			
MPG more important than room/cost	49%	46%	51%
MPG and room	18	17	19
MPG and cost	9	12	8
Room/cost more important than MPG	13	20	11
Others	11	5	11
Total	100%	100%	100%

The questions were: "If you (and your family living there) were going to buy a recreational vehicle, like a travel trailer or motorhome, which would be more important to you: finding a less expensive recreational vehicle, or finding one that gets better gas mileage?" and "If you (and your family living there) were going to buy a recreational vehicle, like a travel trailer or motorhome, which would be more important to you: having more interior room, or getting better gas mileage?"

TABLE 14

TRADEOFF BETWEEN LENGTH OF RV AND MILEAGE, 1981

		RV Market Segments	
	Total	Owners	Potential Users
Trade-Off Between Length and Mileage of RV			
Would not trade any length for better mileage	24%	25%	24%
Would trade 2 feet in length for an increase of 3 MPG	26	29	25
Would trade 4 feet in length for an increase of 6 MPG	17	10	19
Would trade 6 feet in length for an increase of 9 MPG	26	34	24
Don't know	7	2	8
Total	100%	100%	100%
Preferred Areas to Give Up Space			
Kitchen/dining	23%	22%	24%
Sleeping	14	11	15
Bathroom	7	14	5
Living	30	32	29
Storage	14	9	15
Other, including combinations	4	6	3
Don't know	8	6	9
Total	100%	100%	100%

The questions were: "Suppose you could get three miles more a gallon if the travel trailer or motorhome were two feet shorter in length. Would you be willing to trade two feet in length to improve gas mileage by three miles a gallon?" "Would you be willing to trade four feet in the length of the travel trailer or motorhome in order to improve gas mileage by six miles a gallon?" "Would you be willing to shorten the travel trailer by six feet if it would improve gas mileage by nine miles a gallon?" "In making recreational vehicles smaller, where in the interior would you prefer to give up space: in the kitchen and dining area, in the sleeping area, in the bathroom, in the living area, in the storage area, or where?" and "Why is that?"

TABLE 15

EFFECT OF GAS PRICE INCREASES ON RV USAGE, 1981

Change in Intended Use of RV if Gas Prices Increase to $2.50 a Gallon in Next Several Years	Total	RV Market Segments: Owners	RV Market Segments: Potential Users
Less likely to use RV	62%	54%	64%
Price change would not affect use of RV	28	33	26
Would buy smaller RV	1	6	--
Don't know	9	7	10
Total	100%	100%	100%
Reasons for Not Buying Smaller RV[a]			
Need or want space and convenience	--	34%	--
RV is small already	--	16	--
Does not want smaller vehicle	--	11	--
Purchase price too high/depreciation	--	5	--
Do not drive current RV much/does not require gas	--	12	--
Other	--	20	--
Owner's Preferred Size of Next RV			
Smaller	--	9%	--
About the same	--	48	--
Larger	--	24	--
Will not buy another RV	--	15	--
Don't know	--	4	--
Total	--	100%	--

[a]Figures add to more than 100% due to multiple mentions.

The questions were: "Suppose gasoline prices increase to $2.50 a gallon during the next several years--would you (and your family living there) use your recreational vehicle less, buy a smaller recreational vehicle, or would you continue to use your recreational vehicle as you do now?" and "Is there any particular reason why you would not buy a smaller recreational vehicle than you have now?" and

"Will the next recreational vehicle you buy be smaller than the one you own now, will the next recreational vehicle be larger, or will it be about the same size?"

APPENDIX I

HISTORICAL SERIES

Each month since May 1979 questions concerning attitudes toward buying and renting Rvs have been included in the Surveys of Consumer Attitudes. The questions are worded as follows:

1. "During the next 12 months, what do you think are the chances that you (or anyone else in your family living there) will buy a recreational vehicle, (such as a van, motorhome, camper, or camping trailer)? Would you say you probably will, probably will not, or are the chances about even?"

2. "Would you consider renting a recreational vehicle such as a van, motorhome, camping trailer, or camper for any purpose in the next year or so?" and "What do you think are the chances are you (and your family living there) would, at some time, use a recreational vehicle for a vacation trip? Would you say you probably will, probably will not, or are the chances about even?"

Tables 1 and 2 of this appendix show, to the most current date, the monthly results of these questions. Chart 1 shows a three month moving average of the percent of respondents giving an affirmative or neutral response to the first question and the percent of respondents giving an affirmative response to the second question, indexed with July 1979 being the base survey.

Charts 3 and 4 show the relationship between monthly retail deliveries of RV's and broader attitudinal data collected by the Surveys of Consumer Attitudes. Five questions from the monthly surveys are used to calculate the Index and are worded as follows:

1. "We are interested in how people are getting along financially these days. Would you say that you and your family living there are better off or worse off financially than you were a year ago?"

2. "Now looking ahead--do you think that a year form now you and your family living there will be better off financially, or worse off, or just about the same as now?"

3. "Now turning to business conditions in the country as a whole--do you think that during the next twelve months we'll have good times financially, or bad times, or what?"

4. "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next five years or so, or that we will have periods of widespread unemployment or depression, or what?"

5. "About the big things people buy for their house--such as furniture, a refrigerator, stove, and things like that. Generally speaking, do you think now is a good time or a bad time to buy major household items?"

To construct the Index, a relative score is calculated for each question by taking the percentage giving favorable or optimistic answers, subtracting the percentage giving unfavorable answers, and adding 100. (This procedure is equivalent to assigning a value of +1 to favorable responses, of 0 to "same" or "don't know" responses, and of -1 to unfavorable answers.) An average is then taken over the five relative scores, and the result is adjusted to the base (February 1966 = 100).

Data for personal future financial situation are calculated from the distribution of responses to the second question. The percentage of respondents who feel they will be better off is subtracted from the percentage who feel they will be worse off and 100 is added.

TABLE 1

POSSIBILITY OF RENTING AN RV IN THE NEXT 12 MONTHS
(Percentage distribution of non-RV Owners)

	Chances of Renting an RV			
Survey	Yes	No	Not Ascertained	Total
May 1979	9.9%	85.3%	4.8%	100%
June 1979	10.8	88.0	1.2	100%
July 1979	12.4	85.3	2.3	100%
August 1979	8.7	88.1	3.2	100%
September 1979	17.0	79.5	3.5	100%
October 1979	13.1	84.4	2.5	100%
November 1979	10.5	85.6	3.9	100%
December 1979	9.7	87.5	2.8	100%
January 1980	14.3	84.9	0.8	100%
February 1980	9.5	87.2	3.3	100%
March 1980	15.7	82.7	1.6	100%
April 1980	7.8	92.0	0.2	100%
May 1980	10.1	89.6	0.3	100%
June 1980	11.8	87.0	1.2	100%
July 1980	11.2	88.3	0.5	100%
August 1980	16.4	83.4	0.2	100%
September 1980	12.6	86.8	0.6	100%
October 1980	17.9	81.7	0.4	100%
November 1980	15.1	83.7	1.2	100%
December 1980	11.9	87.7	0.4	100%
January 1981	12.0	85.6	2.4	100%
February 1981	15.8	84.2	0.0	100%
March 1981	18.6	81.0	0.4	100%
April 1981	15.3	83.3	1.4	100%
May 1981	13.6	85.7	0.7	100%
June 1981	23.2	73.2	3.6	100%
July 1981	22.2	73.2	4.6	100%
August 1981	12.5	87.2	0.3	100%
September 1981	13.3	84.9	1.7	100%
October 1981	13.5	86.5	0.0	100%
November 1981	12.9	86.4	0.7	100%
December 1981	18.5	81.0	0.5	100%
January 1982	17.4	82.4	0.2	100%
February 1982	18.3	81.2	0.5	100%
March 1982	15.2	84.7	0.1	100%
April 1982	18.3	81.3	0.4	100%

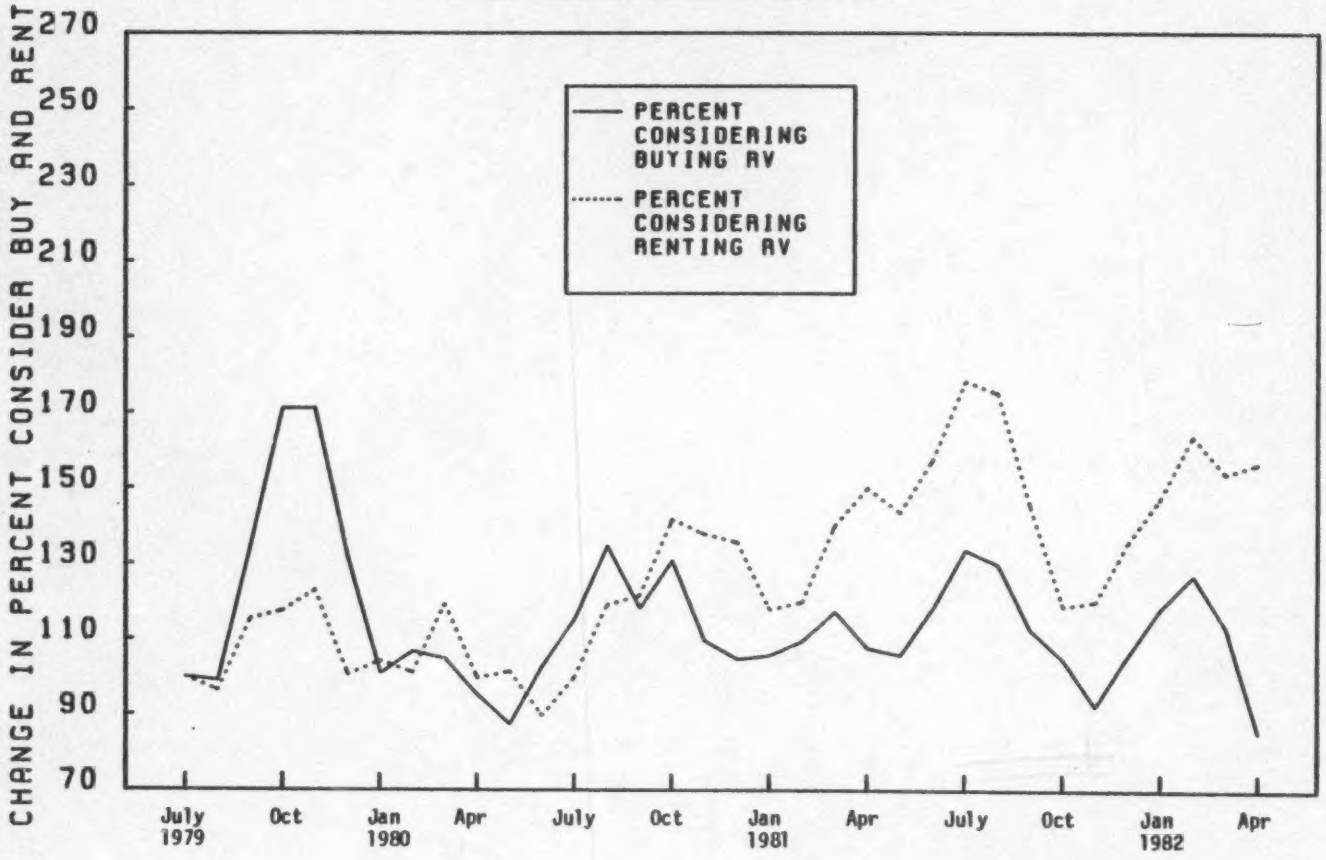
TABLE 2

POSSIBILITY OF BUYING AN RV IN THE NEXT 12 MONTHS
(Percentage distribution of all families)

Survey	Probably Will Buy	Chances Are About Even Will Buy	Probably Will Not Buy	Not Ascertained	Total
May 1979	1.0%	2.8%	94.3%	1.9%	100%
June 1979	0.8	2.9	95.9	0.4	100%
July 1979	1.3	1.6	96.9	0.2	100%
August 1979	1.6	2.1	95.7	0.6	100%
September 1979	1.9	5.5	90.8	1.9	100%
October 1979	2.1	4.6	92.3	1.0	100%
November 1979	1.3	2.4	95.6	0.7	100%
December 1979	0.7	2.6	95.6	1.1	100%
January 1980	0.8	2.7	96.0	0.5	100%
February 1980	1.6	2.7	93.5	2.2	100%
March 1980	1.0	2.1	96.8	0.1	100%
April 1980	0.9	1.6	95.9	1.6	100%
May 1980	0.4	3.1	95.4	1.1	100%
June 1980	1.0	3.7	94.6	0.7	100%
July 1980	0.9	2.9	95.8	0.4	100%
August 1980	2.3	3.2	93.0	1.6	100%
September 1980	0.5	2.5	96.5	0.5	100%
October 1980	2.1	3.0	94.7	0.2	100%
November 1980	1.1	2.2	96.1	0.6	100%
December 1980	1.0	1.5	97.5	0.0	100%
January 1981	1.3	3.0	95.7	0.0	100%
February 1981	1.1	3.5	95.2	0.2	100%
March 1981	1.8	1.5	96.6	0.1	100%
April 1981	1.2	2.1	96.4	0.3	100%
May 1981	2.2	2.2	95.6	0.0	100%
June 1981	1.1	3.5	91.5	3.8	100%
July 1981	0.8	4.1	90.1	5.1	100%
August 1981	1.6	2.4	95.7	0.3	100%
September 1981	0.8	2.0	97.0	0.2	100%
October 1981	1.4	2.7	95.9	0.0	100%
November 1981	0.9	1.8	97.3	0.0	100%
December 1981	1.2	3.0	95.6	0.2	100%
January 1982	1.9	3.5	94.4	0.2	100%
February 1982	0.8	2.8	96.4	0.0	100%
March 1982	1.2	1.6	96.9	0.3	100%
April 1982	1.2	1.4	97.4	0.0	100%

CHART 1

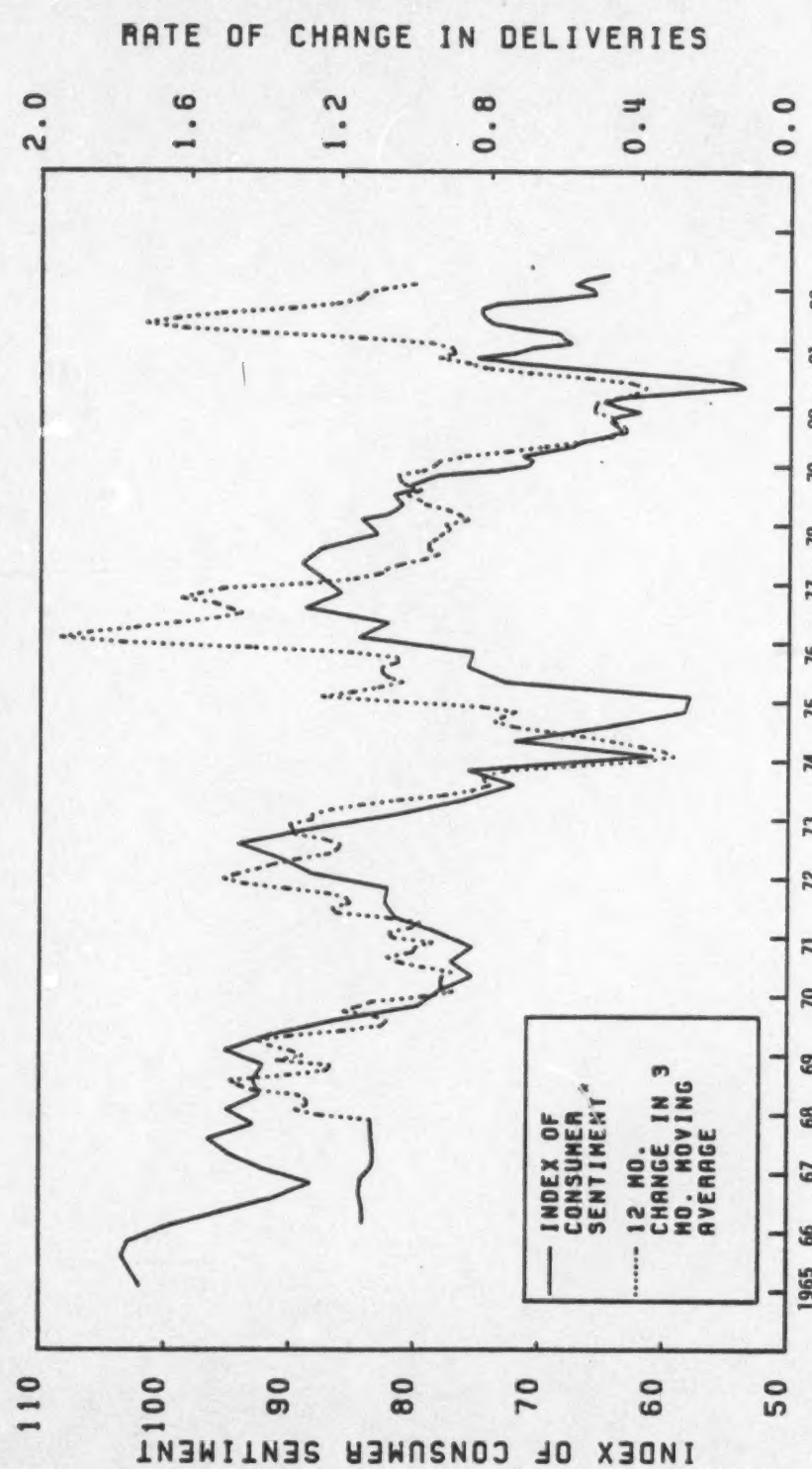
CHANGES IN BUYING AND RENTING INTENTIONS



3-month moving average
July 1979=100

CHART 2

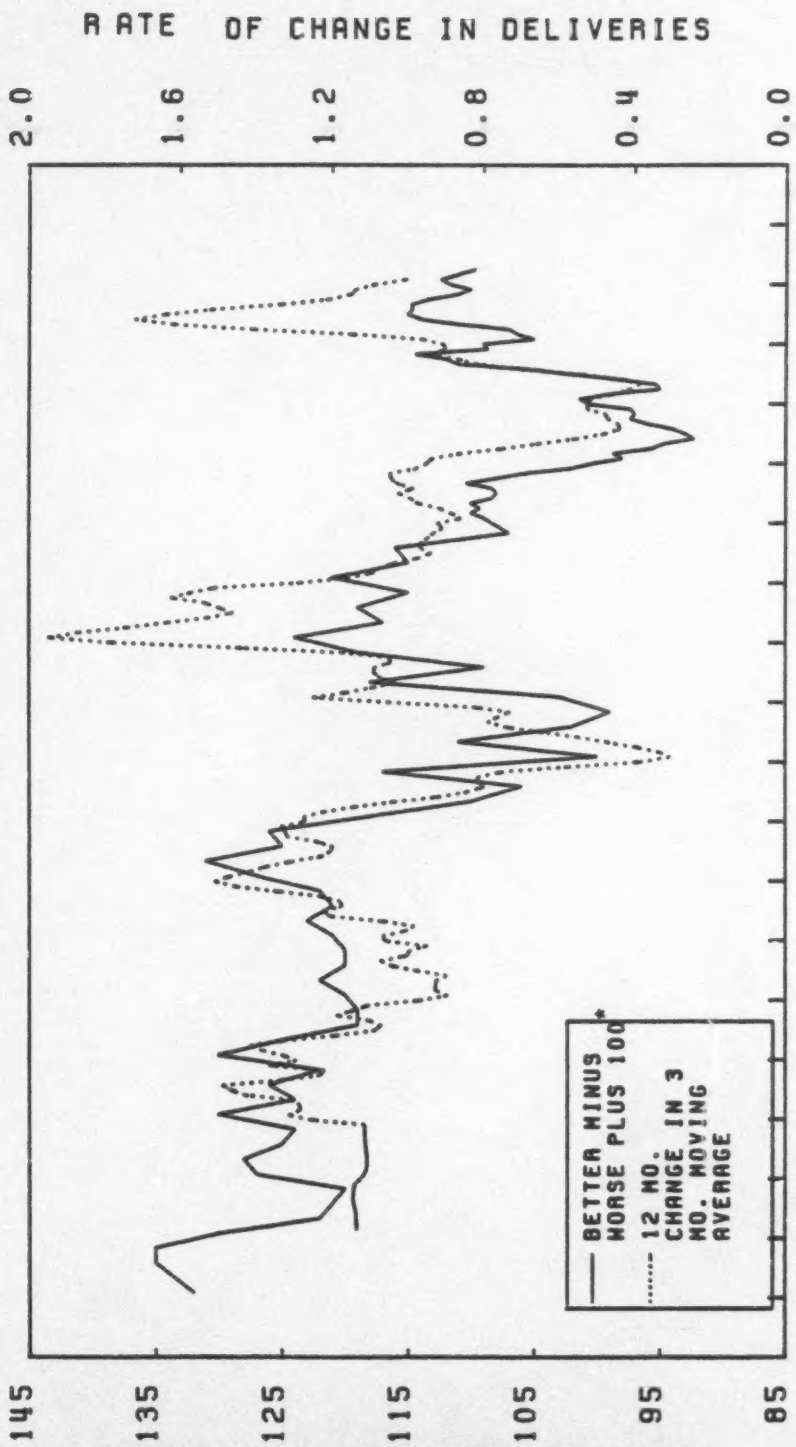
CHANGES IN DELIVERIES AND THE INDEX OF CONSUMER SENTIMENT



*A three-month moving average.

CHART 3

CHANGE IN DELIVERIES AND PERSONAL FINANCIAL SITUATION IN A YEAR



*A three-month moving average.

APPENDIX II

SAMPLE DESIGN

The Survey Research Center conducts an ongoing, nationally representative monthly survey based on telephone interviews with adult men and women living in households in the coterminous United States (48 states and the District of Columbia). The monthly survey of households, for this study, began in early June 1981 and ended late July, 1981. For each monthly sample, an independent drawing of telephone numbers is made. The respondents chosen in this drawing are reinterviewed in six months. A rotating panel design results, and the total sample for any one survey is normally made up of 55% new respondents, and 45% of the respondents being interviewed for the second time. This design permits the regular measurement of change in the aggregate and also allows the assessment of individual change at six-month intervals.

The national telephone sample designs of the Survey Research Center employ computer routines to randomly generate telephone numbers. A list of all working area codes and central office codes is updated monthly and made available by the Long Lines Division of AT&T. The selection technique involves the random generation of the last four digits in order to identify the sample numbers. The generation of the sample numbers is performed after stratification by geography and size of exchange has been introduced. The size of exchange is measured by the number of area codes-central office codes within the exchange as a proxy for the level of population density. Stratification by these criteria assures sample representation of different regions (see Chart A1), states, and metropolitan size categories. The sample is drawn so that every number in the coterminous United States has an equal chance of being selected.

All surveys are subject to sampling error because not all members of the population are interviewed. Telephone interviewing fails to include the approximately 8-9% of the households in the United States that are not telephone subscribers, although the percentage of nonsubscribers is shrinking over time. Current studies of the bias which results from the exclusion of nontelephone subscribers indicate that it is not severe and probably is within the accuracy requirements for most survey research projects. Most results on the total sample for this survey will differ by less than 4 percentage points in either direction from what would have been obtained by using the same method on the entire population, as shown below:

Reported Percentages	Approximate Error for 1,400 Interviews
50	3.2
30 or 70	2.9
20 or 80	2.6
10 or 90	1.9
5 or 45	1.4

Since only one adult per housing unit is selected, the results may need to be weighted by the number of eligible respondents in the household and inversely by the number of separate telephone numbers per household. Additional weights may be introduced to adjust [illegible]stions as a result of the incorporation of recontact respondents in[illegible]mple.

CHART A1

REGIONAL DIVISIONS OF THE UNITED STATES